Committee on Iron-ore and its export

3795. SHRI MANOHAR JOSHI: Will the Minister of STEEL be pleased to state:

(a) whether Government have appointed a committee to look into various aspects of iron-ore and its export; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL (DR. AKHILESH DAS): (a) Government has not set up any committee to specifically look into various aspects of iron-ore and its export. However, committees/groups have been setup to examine different aspects of the mineral and mines sector at a broader level.

(b) Details of such committees/groups constituted by the Government in the recent past are as under:

(i) The Ministry of Steel had constituted an "Expert Group" on 20th April, 2005, for formulating guidelines for preferential grant of mining leases, for iron-ore, manganese ore and chrome ore by State Governments. The report of the "Expert Group" was submitted on 26.8.2005.

(ii) Planning Commission has constituted a "High Level Committee" under the Chairmanship of Shri Anwarul Hoda, Member, Planning Commission. The terms of reference of this committee are given in Statement-I *(See* below) The scope of these terms of reference encompasses a comprehensive review of the National Mineral Policy, MMDR Act, MCR Rules and a review of existing procedures for mining leases etc. so as to suggest changes and other measures to promote investment in the mining sector.

(iii) Planning Commission has also constituted Working Group on Mineral Exploration and Development (other than coal and lignite) for Eleventh Five Year Plan. The terms of reference are given in Statement-II.

Statement-I

The Term of Reference of High Level Committee constituted in Planning Commission

(i) To review the National Mineral Policy and the Mines and Mineral Development and Regulation (MMDR) Act, 1957 and suggest the changes necessary for encouragement in public and private sector in exploration and exploitation of minerals;

(ii) To review the existing procedure for granting RP/PL/ML and suggest ways for their streamlining and simplification;

(iii) To review the procedures for according clearances to mineral exploration and mining projects under Forest (Conservation) and Environment (Protection) Act 1986 and suggest ways for speeding them up;

(iv) To prioritize the critical infrastructure needs of the Indian mining sector and make recommendations on ways to facilitate investment to meet these needs;

(v) To examine the implications of the policy of mineral rich States to make value addition within the State a condition for grant of mineral concession and make appropriate recommendations in this regard

(vi) To examine ways of augmenting State revenues from the mineral sector; and

(vii) To examine any other issue relevant for stimulating investment flows and inducting state-of-art technology into the sector

Statement-II

Terms of Reference of Working Group on Mineral Exploration and Development (other than coal and lignite) for Eleventh Five Year Plan (2007-2012)

(i) To review the present status of Indian mining industry (excluding fuel minerals) and mineral based industries in Indian and to assess its international competitiveness.

(ii) To assess the reserves and resources of all ores/minerals (excluding fuel minerals) as per UNFC guidelines.

(iii) To review the mineral inventory for identifying gap areas and to suggest corrective measures and to assess the balance life of mineral inventory based on current consumption level of various ores/minerals and evolving a strategy for development and conservation in perspective of 10 to 15 years.

(iv) To assess demand for ore/mineral and its likely growth during Eleventh plan period and in perspective of 15 years accounting for GDP growth rate of 8%. Also to workout scenario at 9%, 10% and 7% per annum GDP growth rate.

(v) To assess demand of ores/mineral with respect to domestic and international markets and assessment of potential of ores/minerals in terms of export as raw material or as value added products.

(vi) To draw up an exploration strategy for regional and detailed exploration of ores/minerals keeping in view the national priorities, demand (domestic & global), consumption and availability of resources.

(vii) To identify technological gaps in mineral exploration and suggest measures for filling up the gaps and also to suggest measures for making it competitive globally.

(viii) To examine the present tax and tariff structure of the mining industry and to suggest internationally comparable tax regime for ores/minerals.

(ix) To review the present role of various State institutions like GSI, IBM, and State Directorates of Geology and Mining etc. and suggest changes and modifications in their role so that these institutions can become very effective in facilitating growth of the internationally competitive mining industry in India.

(x) To review the present indigenous R&D set up in mining sector and to suggest strategy for exploiting and beneficiating lean grade ore. Measures for adopting State of the art technology in production beneficiation etc.

(xi) To identify mineral required for production of high purity materials for use in electronics and other newly emerging technologies

and review the present status of mineral inventory of these minerals and suggest exploration strategy for augmenting the inventory during Eleventh Plan period in the perspective.

(xii) To suggest what promotional role both the Central and State Governments should play in the present policy dispensation of mineral exploration particularly for those minerals in which the present resource base is poor and for the development of which private sector may be reluctant to invest.

(xiii) To review the availability and requirement of human resource in mining sector during the Eleventh Plan period and in perspective of 10 to 15 years and to suggest measures for capacity building by training and development of infrastructure. To also suggest strategy for modernization, updating of curriculum and technology.

(xiv) To assess year-wise requirement of infrastructure such as power, water, communications, roads, ports and railways both physical and financial for the mining sector during the Eleventh Plan period and in existing gaps and building up of additional infrastructure. To define the roles of the Central Government, the State Governments and the private sector in creating such infrastructure.

(xv) To assess constraints and problems encountered in exploration and exploitation of mineral resources in tribal, forest areas and to suggest measures in hamonizing mineral development with environment and forest Tribal policy and laws and to suggest changes, if any.

(xvi) To assess the indicate investment including FDI that would be required to be made during the Eleventh Plan period and in the perspective of 10 to 15 years thereafter in exploration, opening up new mines, setting up mineral based units, deposit/mine-specific infrastructure and in related units.

(xvii) To assess and indicate investment that would be required to be made by the Central and State Governments for promotional exploration, if deemed necessary to be carried out as a matter of national policy.

(xviii) To assess possibility of zonation of mineral resource bearing areas as mineral belts' for speedy exploitation of proven and economically viable mineral deposits.

(xix) To examine the impact of the Supreme Court verdict in the T.N. Godavarman Thirumulpad case, on assessment of Net Present Value (NPV) payable for use forest areas for non-forest purpose, including exploration and mining activities,and to suggest measures for safeguarding the interests of the small miners.

(xx) To assess the magnitude of rehabilitation and reclamation needed for abandoned or closed mines before the concept of mine closure plan and financial assurance came into being and to suggest appropriate plants for reclamation & rehabilitation for such mines to give eco-friendly image to mining industry.

(xxi) To examine the impact that the Samatha Judgement would have on the present mines and mineral-based industries located in the Fifth Scheduled areas of the country, of the judgement is implemented and to suggest measures that need to be taken to avert the situation and at the same time safe guarding intersets of the tribals in these areas of the country.

(xxii) To examine and assess the socio-economic impact of mining on the life of local inhabitants and to suggest ways and means for improving their living standard.

(xxiii) To examine and suggest the role of educational/research institutes in minerals development in the country.

(xxiv) To make such other recommendations as may be considered appropriate.

12.00 NOON

PAPERS LAID ON THE TABLE

Report and Accounts (2004-2005) of the omnibus Industrial Development Corporation of Daman and Diu and Dadra and Nagar Haveli LH.Moti Daman and related Papers

THE MINISTER OF SMALL SCALE INDUSTRIES AND THE MINISTER OF AGRO AND RURAL INDUSTRIES (SHRI MAHAVIR PRASAD): Sir I lay on the Table: